

Ontario Energy Board Commission de l'énergie de l'Ontario

DECISION AND ORDER ON COST AWARDS

EB-2014-0101

OSHAWA PUC NETWORKS INC.

Application for electricity distribution rates and other charges beginning January 1, 2015 and for each following year through to December 31, 2019.

BEFORE: Allison Duff

Presiding Member

Cathy Spoel Member

Emad Elsayed

Member

February 3, 2016 corrected

INTRODUCTION AND SUMMARY

Oshawa PUC Networks Inc. (Oshawa PUC) filed a custom incentive rate-setting application with the Ontario Energy Board (OEB) on January 29, 2015 under section 78 of the *Ontario Energy Board Act, 1998, S.O. 1998, c. 15, (Schedule B)*, seeking approval for changes to the rates that Oshawa PUC charges for electricity distribution, to be effective January 1, 2015 and each year thereafter until December 31, 2019.

The OEB granted intervenor status and cost award eligibility to the Consumers Council of Canada (CCC), Energy Probe Research Foundation (EP), Greater Oshawa Chamber of Commerce (GOCC), School Energy Coalition (SEC) and Vulnerable Energy Consumers Coalition (VECC).

On December 22, 2015, the OEB issued its Rate Order establishing the process for intervenors to file their cost claims, for Oshawa PUC to object to the claims and for intervenors to respond to any objections raised by Oshawa PUC.

The OEB received cost claims from CCC, EP, GOCC, SEC and VECC.

Oshawa PUC filed a response to the cost claims and provided a table comparing the cost claims of the intervenors. Oshawa PUC noted that the highest cost claim was submitted by VECC and was approximately 14% more than the next highest claim and approximately 48% higher than the average of the other four intervenors. Oshawa PUC indicated that the number of hours and hourly rate charged by VECC were approximately 21% and 19% higher than the average of the other four intervenors, respectively.

VECC responded to Oshawa PUC's letter indicating that comparisons of cost claims should; 1) present more than percentages calculated without reference to work done and 2) use the principles developed by the OEB in the assessment and determination of cost claims. VECC stated that its team's hourly rate contributed to a higher billed amounts, but the difference was well within a normal zone of tolerance as the hours spent on the intervention are themselves within the appropriate range. VECC argued that its claim be approved as submitted.

OEB Findings

The OEB has reviewed the claims filed by CCC, EP, GOCC, SEC and VECC to ensure that they are compliant with the OEB's *Practice Direction on Cost Awards*.

The OEB approves the cost claims CCC, EP, GOCC and SEC as filed.

With respect to VECC's cost claim, the OEB notes that VECC did not use the correct form¹. The current form was revised in 2014 and requires the provision of more detail by activity. In addition, VECC claimed 33.4 hours for attendance at the settlement conference which was an error. Based on the back-up information provided, 33.4 hours included attendance at the settlement conference and the oral hearing. However, amount of the total claim was not affected by this error.

The OEB finds that VECC's claim is reasonable given its participation in the proceeding and the extent of its submission. The OEB acknowledges VECC's claim included costs from a lawyer and analysts with many years of experience. In addition, Custom IR applications are complex and Oshawa PUC proposed a number of new deferral accounts and incentive mechanisms, which VECC addressed in its submission. The OEB approves VECC's cost claim as filed.

THE ONTARIO ENERGY BOARD ORDERS THAT:

Pursuant to section 30 of the *Ontario Energy Board Act, 1998*, Oshawa PUC shall immediately pay the following amounts to the intervenors for their costs:

Consumers Council of Canada	\$56,680.80
Energy Probe Research Foundation	\$64,227.03
Greater Oshawa Chamber of Commerce	\$31,759.55
School Energy Coalition	\$52,804.39
Vulnerable Energy Consumers Coalition	\$71,476.78

Pursuant to section 30 of the *Ontario Energy Board Act, 1998*, Oshawa PUC shall pay the OEB's costs of, and incidental to, this proceeding immediately upon receipt of the OEB's invoice.

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¹ Form: Cost Claim for Hearings

DATED at Toronto February 3, 2016

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli Board Secretary